

Mar-14-03 12:53pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.004/018 F-870

Environmental Impairment Liability Insurance Declarations Claims Made and Reported Coverage



ZURICH INSURANCE COMPANY
Dover, Delaware
Administrative Offices - 1400 American Lane
Schaumburg, Illinois 60196-1056

Policy Number: PLC 5227504 01 Renewal of: PLC 5227504-00

Item 1. Named Insured : Trans Resources, Inc.
Address: 375 Park Avenue
New York NY 10152

Item 2. "Policy Period": From: April 1, 2002 To: April 1, 2003
12:01 A.M. Local time at the address shown in Item 1.

Item 3. Limits of Liability: \$1,000,000 Each Claim
\$2,000,000 Total for all Claims

Item 4. Deductible: \$200,000 per claim applies to Locations 1,2,6,7,8,9
\$25,000 per claim applies to Locations 3, 5, 14
\$100,000 per claim applies to Locations 10-13 and all Hazardous Waste
Non-Owned covered locations.
\$50,000 per claim applies to all Non-Hazardous waste Non-Owned
covered locations

Item 5. "Covered Location(s)": See the Endorsement to the policy.

Item 6. Forms and Endorsements: See Schedule of form and endorsements

Item 7. Policy Premium: \$83,794

Item 8. Retroactive Date(s): See Endorsement #6

Item 9. Broker: Willis Corp
7 Hanover Square
New York NY 10004-2594

Signed by:

Authorized Representative

Copyright ©1999 by Zurich Insurance Company

Date

7-22-2002

U-EIL-D-100-B CW (8/99)
Page 1 of 1

All rights reserved. No part of this document covered by the copyrights herein may be reproduced or copied in any form by any means - graphic, electronic, or mechanical, including photocopying, taping or information storage and retrieval systems - without written permission of the Zurich American Insurance Company.

CLASSIFICATION CODE 2-14055 ENVIRONMENTAL



162864

Mar-14-03 12:53pm From-EPA ENV. JUSTICE

+404 562 9664

T-344 P.005/018 F-970

Environmental Impairment Liability Insurance Policy

Claims Made and Reported Coverage



This is a claims made and reported policy. Notice of a potential "claim" is not a "claim" and does not trigger coverage under the policy. This policy has certain provisions and requirements unique to it and may be different from other policies you may have purchased. Read the entire policy carefully to determine rights, duties and what is and is not covered. Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance. Words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (Section II).

"Claim(s)" must first be made against an "insured" during the "policy period", and "claim(s)" must be reported, in writing, to us during the "policy period", the automatic extended reporting period or an extended reporting period, if applicable.

The payment of "claim expense(s)", including defense costs, reduces the limits of insurance. If the policy limit is exhausted, we shall not be liable for "claim expense(s)" or for the amount of any judgment or settlement.

In consideration of the payment of premium and your undertaking to pay the Deductible as described herein, in reliance upon the statements in the Application made a part herof, and subject to the Limits of Liability of this insurance as set forth in the Declarations, and the exclusions, conditions and other terms of this policy, we agree with you as follows:

I. INSURING AGREEMENT

We will pay on behalf of an "insured" any "loss" caused by a "pollution event" on, at, under or coming from a "covered location" that an "insured" is legally obligated to pay as a result of a "claim" first made against the "insured" during the "policy period" provided that the "claim" is reported to us during the "policy period", or any applicable extended reporting period.

DEFENSE

We shall have the right and duty to assume the adjustment, defense and settlement of any "claim" brought by or on behalf of a third party seeking payment for "loss(es)" to which this insurance applies. "Claim expense(s)" reduces the applicable Limits of Liability set out in the Declarations as described in LIMITS OF LIABILITY AND DEDUCTIBLE (Section VI).

Our duty to adjust, defend and settle all "claim(s)" to which this insurance applies, pending and future, ends when the applicable Limits of Liability have been tendered into court or exhausted by payment of "claim expense(s)" or "loss(es)".

II. DEFINITIONS

- A. "Automobile" means a land motor vehicle, trailer or semi-trailer designated for travel on public roads including any machinery or apparatus attached thereto.
- B. "Bodily injury" means physical injury, sickness, disease, mental anguish, or emotional distress sustained by any person, including death resulting therefrom.
- C. "Claim(s)" means any demand received by an "insured" alleging liability or responsibility on the part of the "insured" for "loss(es)" caused by a "pollution event" on, at, under or coming from a "covered location".
- D. "Claim expense(s)" means:
 1. fees charged by an attorney designated by:
 - a. us; or
 - b. the "insured" with our prior written consent; and
 2. all other fees, costs and expenses resulting from the defense, settlement and appeal of a "claim" if incurred by us or the "insured" with our consent including interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the amount available for the judgment under the policy.

Mar-14-03 12:53pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.006/018 F-970

However, "claim expense(s)" does not include the salaries or expenses of regular employees or officials of ours or the "insured's" or expenses of our adjusters. The "insured" shall be allowed \$250 per day but no more than \$5,000 in total allowable expenses for the compensation to its principals, partners, officers, directors, or employees for personally attending any legal proceeding at our request. These allowable expenses shall not reduce the applicable Limits of Liability and Deductible set out in the Declarations.

- E. "Cleanup costs" means the necessary expenses incurred in the investigation, removal, remediation, neutralization or immobilization of contaminated soil, surface water, groundwater, or other contamination.
- F. "Closure plan" or "post closure plan" means the written documents required by the Code of Federal Regulations, 40 CFR Parts 260 - 299 (revised as of July 1, 1997), including any amendments, or by similar state laws and regulations, which require the partial or final closure or post closure of a unit, facility or location.
- G. "Covered location(s)" means the property(ies) shown in the Declarations or applicable Endorsement.
- H. "Emergency action" means the reasonable and necessary costs incurred to avoid an imminent and substantial endangerment to the public health or welfare of the environment.
- I. "Insured" means:
 - 1. you or your;
 - 2. any current or former principal, partner, officer, director, employee, contract employee or leased personnel while acting within the scope of their employment or written agreement with an "insured";
 - 3. the heirs, executors, administrators, assigns and legal representatives of each "insured" in the event of death, incapacity, or bankruptcy; or
 - 4. any other person or entity endorsed onto this policy as an "insured".
- J. "Loss(es)" means:
 - 1. compensatory damages or legal obligations arising from:
 - a. "bodily injury"; or
 - b. "property damage"; and
 - 2. related "claim expense".
- K. "Mediation" means any non-binding intervention by a neutral third party.
- L. "Natural resource damage(s)" means the sum of:
 - 1. reasonable direct costs, including costs of assessment, associated with action necessary to restore (including replacement) the natural resource to its baseline condition prior to the "pollution event", and
 - 2. the "use value" of injury to or destruction of natural resources, including the land, surface water, groundwater, subsurface strata, air, fish, wildlife, or biota between the time of a "pollution event" and restoration of the natural resources injured by the "pollution event".

"Use value" means the value of the natural resources to the public attributable to the direct use of the services provided by the natural resources.
- M. "Policy period" means the period set forth in the Declarations, or any shorter period arising:
 - 1. from cancellation or termination of this policy; or
 - 2. with respect to a specific "covered location":
 - a. the deletion of such "covered location" from this policy by us upon your request; or
 - b. the sale, leasing to others, giving away, abandonment, or relinquishing of operational control of such "covered location" by the "insured".
- N. "Pollution event" means the discharge, dispersal, release, or escape of any solid, liquid, gaseous or thermal irritant, contaminant or pollutant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste.

Mar-14-03 12:54pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.007/018 F-970

O. "Property damage" means:

1. physical injury to or destruction of tangible property including the resulting loss of use thereof;
2. loss of use of tangible property that has not been physically injured or destroyed;
3. "cleanup costs"; or
4. "natural resource damage(s)".

P. "Underground storage tank" means any tank(s) including associated underground piping connected thereto, that has at least ten (10) percent of its volume below the ground.

III. TERRITORY

The insurance afforded by this policy applies worldwide. Where suits are brought or "claim(s)" are made outside the United States of America and its territories and possessions, Puerto Rico or Canada the following additional provisions apply:

1. we shall have the right but not the duty to investigate, defend or settle any such "claim" brought against the "insured";
2. if we elect not to investigate, defend or settle any such "claim", the "insured" shall, under our supervision, arrange for such investigation and defense thereof as is reasonably necessary, and subject to our prior authorization, shall effect such settlement thereof as we and the "insured" deem expedient;
3. we will reimburse the "insured" for the reasonable cost of such investigation and defense and the amount of any settlement or judgment in excess of the Deductible amount stated in the Declarations, all subject to and within the Limits of Liability stated in the Declarations; and
4. such reimbursement shall be made in United States currency at the rate of exchange prevailing on the date the judgment is rendered or the date that the amount of the settlement is agreed upon or the date expenditure is made.

IV. EXCLUSIONS

This insurance does not apply to "claim(s)" or "loss(es)" based upon or arising out of:

- A. any "pollution event" known to any "insured's" principal, partner, director, officer, or employee with responsibility for environmental affairs, legal affairs or risk management unless prior to the effective date of coverage for the "covered location" such "pollution event" was disclosed to us and endorsed onto the policy;
- B. any dishonest, fraudulent, intentional or malicious act or those of a knowingly wrongful nature, or the intentional, willful or deliberate non-compliance with any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order, or instruction of any governmental agency or body by or at the direction of the "insured", except that this exclusion will not apply to an "insured" who did not commit, participate in, or have knowledge of any of the acts described;
- C. any "claim" made:
 1. by an "insured" against any other "insured"; or
 2. against an "insured" by an entity or individual:
 - a. that wholly or partially controls, owns, operates or manages an "insured"; or
 - b. that is controlled, owned, operated or managed by the "insured";
- D. any obligation of the "insured" which could have been brought in whole or in part under a workers compensation, disability benefits or unemployment compensation or any similar law;
- E. any "pollution event" on, at, under, or coming from a "covered location" which commences after the "covered location" is sold, leased to others, given away, abandoned, or for which operational control has been relinquished by the "insured";
- F. the liability of others assumed by an "insured" under any contract or agreement; however, this exclusion does not apply to liability for "loss(es)" that would have attached to an "insured" by operation of law in the absence of such contract or agreement;
- G. fines, penalties, or treble damages;
- H. implementation of any "closure plan" or "post closure plan";

Mar-14-03 12:54pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.008/018 F-870

- L. goods or products designed, manufactured, sold, handled, distributed, or supplied by the "insured" or by others trading under their name or under license from the "insured" once the goods or products are removed away from the "covered location";
- J. injury to any employee, contract employee or leased personnel of an "insured" if such injury occurs during and in the course of said employment; or to the spouse, child, brother or sister of any employee, contract employee or leased personnel of an "insured" as a consequence of said employment; or to any obligation of an "insured" for indemnity or contribution to another because of "loss" arising out of such injury in the course of employment;
- K. any consequence, whether direct or indirect, of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, strike, riot or civil commotion;
- L. any "pollution event" or "loss(es)" on, at, under or coming from any location to which the "insured" arranges for, sends or has sent materials for treatment, recycling, reclamation, storage or disposal unless endorsed onto the policy;
- M. any naturally occurring substance on, at, under, or coming from the "covered location(s)", in its unaltered form, or altered solely through naturally occurring processes or phenomena;
- N. any asbestos containing material and lead based paint which are or were part of any fixtures, buildings, or improvements on the "covered location(s)";
- O. any costs for the reconstruction, repair, removal, maintenance, replacement, upgrading, installation, or rebuilding of any personal property, fixtures, buildings, or processes at a "covered location" or any other improvement, site enhancement, or routine maintenance on, within, or under a "covered location";
- P. the ownership, entrustment, maintenance, use, operation, loading or unloading of any "automobile", aircraft, vessel or rolling stock beyond the boundaries of the "covered location(s)", unless endorsed onto the policy;
- Q. any "underground storage tank", whether active, abandoned or removed, known to any "insured's" principal, partner, director, officer, or employee with responsibility for environmental affairs, legal affairs or risk management of any "insured", unless endorsed onto the policy;
- R. (a) any coverage for "loss(es)" including "bodily injury", "property damage" or "claim expense(s)":
 - (1) With respect to which an "insured" under the policy is also an "insured" under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an "insured" under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- (b) Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
- (c) Under any Liability Coverage, to "cleanup costs" or "loss(es)" including "claim expense(s)" resulting from "hazardous properties" of "nuclear material", if:
 - (1) The "nuclear material" (a) is at any "nuclear facility" owned by or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
 - (2) The "nuclear material" is contained in "spent fuel", or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
 - (3) The "cleanup costs", "loss(es)", "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

Mar-14-03 12:55pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.008/018 F-970

As used in this exclusion:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste matter (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. "Property damage" includes all forms of radioactive contamination of property.

V. EXTENDED REPORTING PERIODS

- A. You shall be entitled to an automatic extended reporting period without additional charge upon termination of coverage as defined in this section. This period starts at the end of the "policy period" and lasts for sixty (60) days.
- B. In addition to the automatic extended reporting period, you shall be entitled to purchase an extended reporting period of up to three (3) years in duration, except in the event of nonpayment of premium. The charge for an extended reporting period of up to three years in duration shall not be more than one hundred percent (100%) of the premium per "policy period". The extended reporting period of up to three years in duration starts when the automatic extended reporting period set forth in the above paragraph ends.
- C. Upon payment of the additional premium, we shall issue an endorsement providing for an extended reporting period of up to three years in duration, provided that you:
 - 1. make a written request for such endorsement which we receive within sixty (60) days after termination of coverage as defined herein; and
 - 2. pay the additional premium when due. If such additional premium is paid when due, the extended reporting period may not be canceled by us, provided that all other terms and conditions of the policy are met.
- D. The "claim" first reported within the automatic extended reporting period and the extended reporting period endorsement, if purchased in accordance with this section, shall be deemed to have been made on the last day of the "policy period" and coverage shall apply under this policy provided that:
 - 1. the "pollution event" commenced subsequent to a retroactive date, if any, and before the end of the "policy period"; and
 - 2. with respect to the extended reporting periods, you have not purchased any other insurance to replace coverage provided by this policy; and

Mar-14-03 12:55pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.D10/018 F-970

3. the "claim" is otherwise covered under the terms and conditions of this policy.
- E. For the purpose of the automatic extended reporting period and the extended reporting period endorsement, termination of coverage means:
1. any cancellation or nonrenewal of this policy, except for fraud or material misrepresentation, material change in the nature or extent of the risk, or non-payment of premium; or
 2. with respect to a specific "covered location":
 - a. the deletion of such "covered location" from this policy by us upon your request; or
 - b. the sale, leasing to others, giving away, abandonment, or relinquishing of operational control of such "covered location" by an "insured".
- F. If the automatic extended reporting period or an extended reporting period endorsement is in effect, we will provide the Each Claim Limit of Liability subject to that which is remaining in the Total for all Claims Limit of Liability shown in the Declarations to this policy, but only for "claim(s)" first reported to us pursuant to the policy during the automatic extended reporting period or extended reporting period endorsement. The purchase of an extended reporting period does not reinstate or increase the Limit of Liability shown in the Declarations as applicable to the Total for all Claims.
- G. Notwithstanding CONDITIONS (Section VIII.) paragraph I., OTHER INSURANCE - and Section D.2, above, the insurance afforded for "claims" first reported during the automatic extended reporting period and the extended reporting period endorsement is excess over any other valid and collectible insurance available under policies in force during the automatic extended reporting period and the extended reporting period endorsement.

VI. LIMITS OF LIABILITY AND DEDUCTIBLE

A. EACH CLAIM LIMIT OF LIABILITY

Our liability for each "claim", including "loss(es)" and applicable "claim expense(s)", shall not exceed the amount set out in the Declarations as the Each Claim Limit of Liability. We shall not be obligated to pay any "loss(es)" or applicable "claim expense(s)" or undertake or continue the defense of any "claim" after the Each Claim Limit of Liability set out in the Declarations has been tendered into court or exhausted by payments for "claim(s)", "loss(es)" or applicable "claim expense(s)".

B. TOTAL LIMIT OF LIABILITY

Subject to paragraph A., above, our total liability for all "claim(s)", including "loss(es)" and applicable "claim expense(s)", shall not exceed the amount set out in the Declarations as the Total for all Claim(s) Limit of Liability. We shall not be obligated to pay any "loss(es)" or applicable "claim expense(s)" or undertake or continue the defense of any "claim", pending or future, after the Total for all Claims Limit of Liability set out in the Declarations has been tendered into court or exhausted by payments for "claim(s)", "loss(es)" or applicable "claim expense(s)".

C. DEDUCTIBLE

The Deductible amount set out in the Declarations is your obligation and applies to each "claim" and shall include all "loss(es)" and applicable "claim expense(s)" up to the Deductible amount for each "claim". The Deductible amount does not erode the Limits of Liability. We may advance payment for "loss(es)" and "claim expense(s)" within the Deductible. You shall promptly reimburse us for advancing any element of "loss(es)" and "claim expense(s)" paid by us within your Deductible.

If you agree with us to use "mediation" to resolve a "claim" for which a defense has been provided and a "claim" is resolved thereby, the Deductible set out in the Declarations shall be reduced by 50% for that "claim" only, subject to a maximum reduction of \$25,000.

D. MULTIPLE INSURED, CLAIMS, LOSSES, CLAIMANTS, POLLUTION EVENTS, AND POLICY PERIODS

1. MULTIPLE INSURED OR CLAIMANTS

The inclusion of more than one "insured" in the making of a single "claim" or the bringing of a single suit regarding the same "pollution event" shall not increase the Limits of Liability stated in the Declarations, neither shall the making of "claims" or the bringing of suits by more than one person or organization increase the Limits of Liability stated in the Declarations.

2. MULTIPLE CLAIMS

Two or more "claims" arising out of the same, interrelated, associated, repeated or continuous "pollution event(s)" or a series of related "pollution events" shall be considered a single "claim", and shall be subject to one Limit of Liability and only one Deductible as stated in the Declarations, regardless of the number of "insured(s)" or claimants involved or the number or amount of, "losses" or "policy periods" in which "pollution events", or "losses" occurred and regardless of the number of "pollution events" alleged to have occurred.

3. MULTIPLE POLICY PERIODS

Any "loss" or "claim" which takes place over two or more "policy periods" shall be subject to one Limit of Liability and one Deductible as stated in the Declarations. All such "claims" for "loss(es)", whenever made, shall be considered first made on the date on which the earliest "claim" was first made and reported to us and the Limits of Liability applicable to that "policy period" shall apply.

4. CLAIMS ARISING FROM POTENTIAL CLAIMS

Any "pollution event" which results in a "claim" in a subsequent uninterrupted renewal "policy period" shall be subject to the Each Claim and Total for all Claims Limits of Liability applicable to the "policy period" in effect when the "pollution event" was reported to us.

5. CLAIMS REPORTED IN THE EXTENDED REPORTING PERIODS

The automatic extended reporting period and the extended reporting period, if purchased by you, shall not serve to increase or reinstate the Limits of Liability set out in the Declarations to the policy. The Limits of Liability shall be that which remains at the end of the "policy period".

E. EXHAUSTION OF LIMITS AND TRANSFER OF DUTIES

When the Each Claim or Total for all Claims Limit of Liability described above has actually been exhausted in the payment of "loss(es)" or "claim expense(s)", we will:

1. notify the "insured", in writing, as soon as possible, that such limits have been exhausted and our duty to defend "claim(s)" under INSURING AGREEMENT (Section I.) has also ended; and
2. commence and cooperate in the transfer of control to any appropriate "insured" of all "claim(s)" which are subject to that limit and which are reported to us before that limit is exhausted.

VII. CLAIM PROVISIONS**A. NOTICE OF CLAIM**

In the event of a "claim", the "insured" shall give written or oral notice to us as soon as possible containing particulars sufficient to identify an "insured" and reasonably obtainable information with respect to:

1. the time, place, "covered location" and explanation of the "pollution event" including how and when the "insured" first became aware of the "pollution event" and the "claim";
2. the names and addresses of any injured parties and available witnesses;
3. any and all investigative or engineering reports, data or information about the "pollution event" or "loss"; and
4. any and all other relevant information about the "claim", "pollution event" or "loss".

If a "claim" is made against an "insured", the "insured" shall immediately forward to us every demand, notice, summons, complaint, order or other process received by an "insured" or its representatives.

B. NOTICE OF POTENTIAL CLAIM

If during the "policy period" the "insured" discovers a "pollution event" which may reasonably be expected to give rise to a "claim" under the policy, the "insured" shall provide written notice to us, as soon as possible, during the "policy period" containing particulars sufficient to identify an "insured" and reasonably obtainable information with respect to:

1. the time, place, "covered location", and explanation of the discovery, including how and when the "insured" first became aware of the "pollution event";
2. the names and addresses of any injured parties and available witnesses;

3. any and all investigative or engineering reports, data or information about the "pollution event" or "loss"; and
4. any and all other relevant information about the "pollution event" or "loss";

and any subsequent "claim" arising from the reported "pollution event" made against the "insured" and reported to us, pursuant to paragraph C., below, during an effective renewal "policy period" or extended reporting period issued by us for which coverage is provided by this policy shall be deemed, for the purposes of this insurance, to have been made on the date on which written notice of the "pollution event" was first received by us.

C. NOTICE TO US

All "claim(s)" and potential "claim(s)" shall be reported to:

Zurich U.S.
Environmental Claims Unit
1400 American Lane
Schaumburg, Illinois 60196-1056
Attention: Managing Account Specialist -
Environmental Specialties

or any other address as substituted by us by endorsement onto the policy.

In the event of oral notice, the "insured" agrees to furnish a written report to us as soon as possible.

D. SELECTION OF DEFENSE COUNSEL

1. In the event an "insured" is entitled by law to select independent counsel to defend the "insured" at our expense, the attorney's fees and all other litigation expenses we must pay to that counsel are limited to rates we actually pay to counsel we retain in the ordinary course of business in the defense of similar claims in the community where the "claim" arose or is being defended.

Additionally, we may exercise the right to require that such counsel have certain minimum qualifications with respect to their legal competency including experience in defending claims similar to the one pending against an "insured" and to require such counsel to have errors and omissions insurance coverage. The "insured" agrees that such counsel will respond to our request for information regarding the "claim" in a timely manner. Furthermore, an "insured" may at any time, by its signed consent, waive its right to select independent counsel.

2. The "insured" shall have the option to consent to our choice of legal counsel, which consent shall not be unreasonably withheld or denied.

E. SETTLEMENT

The "insured" shall not admit liability or settle any "claim" without our written consent. If we recommend a reasonable settlement of a "claim," the "insured" shall have the opportunity to concur, such concurrence is not to be unreasonably withheld. If we recommend a reasonable settlement of a "claim":

1. for an amount within the Deductible and the "insured" refuses to concur with such settlement, then we shall not be liable for any "loss(es)", including "claim expense(s)", in excess of the Deductible; or
2. for a total amount in excess of the balance of the Deductible and the "insured" refuses to concur with such reasonable settlement acceptable to the claimant, then our liability for "loss(es)", including "claim expense(s)", shall be limited to that portion of the recommended settlement and the costs, charges and expenses incurred as of the date of the "insured's" refusal which exceed the Deductible and fall within the Limit of Liability.

F. VOLUNTARY PAYMENTS

No costs, charges or expenses shall be incurred, or liability assumed, by an "insured" without our written consent, which shall not be unreasonably withheld or denied.

Notwithstanding the foregoing, an "insured" may take such "emergency action(s)" as reasonably necessary to prevent or mitigate further damage or "loss(es)", provided the "insured" provides notice to us within ninety-six (96) hours.

In the event of oral notice, the "insured" agrees to furnish a written report to us as soon as possible.

Mar-14-03 . 12:56pm From:EPA ENV. JUSTICE

+404 562 9664

T-344 P.013/018 F-970

VIII. CONDITIONS

- A. ASSIGNMENT** - Assignment of interest under this policy shall not bind us until our consent is endorsed thereon, which consent shall not be unreasonably withheld.
- B. AUDIT AND INSPECTION** - We shall be permitted upon reasonable prior notice to audit the "insured's" financial books and records at any time during the "policy period" and within three years after the final termination of this policy, as far as they relate to the subject matter of the policy. We shall also be permitted upon reasonable prior notice, to inspect, sample and monitor on a continuing basis your "covered location(s)" and operations. Neither our right to make inspections, sample and monitor, nor the actual undertaking thereof, nor any report thereon shall constitute an undertaking, on behalf of us or others, to determine or warrant that a "covered location", or operation is safe, healthful or conforms to acceptable engineering practice or is in compliance with any law, rule or regulation. We do not manage or exercise control over any "covered location".
- C. BANKRUPTCY** - Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.
- D. CANCELLATION** - This policy may be canceled by you by surrender to us or any of our authorized brokers, or by mailing to us written notice stating when the cancellation shall be effective. This policy may be canceled by us by mailing to you, at the address shown in this policy, a notice stating when thereafter (not less than sixty (60) days for fraud or material misrepresentation or ten (10) days for non-payment of premium) such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the "policy period". Delivery of such written notice either by you or by us shall be equivalent to mailing.
- E. CHANGES** - Notice to any broker or knowledge possessed by any broker or by any other person shall not effect a waiver or change in any part of this policy or stop us from asserting any right under the terms of this policy. The terms of this policy shall not be waived or changed, except by endorsement issued to form a part of this policy.
- F. CHOICE OF LAW** - In the event an "insured" and we dispute the meaning, interpretation or operation of any term, condition, definition or provision of this policy resulting in litigation, arbitration or other form of dispute resolution, the "insured" agrees with us that the law of the State of New York shall apply without giving effect to any conflicts or choice of law principles. In the event the "insured" agrees with us to resolve the dispute by arbitration, any such arbitration shall be in accordance with the Commercial Arbitration Rules of the American Arbitration Association.
- G. COOPERATION** - The "insured" agrees with us to assist and cooperate in the fulfillment of the policy's terms, including the investigation, adjustment, defense or settlement of "claim(s)".
- H. DECLARATIONS** - By acceptance of this policy, you agree that the statements in the Declarations and Application are your agreements and representations, that this policy is issued in reliance upon the truth of such representations and that this policy embodies all agreements existing between you and us or any of yours or our brokers relating to this insurance.
- I. OTHER INSURANCE** - The insurance provided under this policy is primary insurance, except when stated in the Declarations or by Endorsement to apply in excess of, or contingent upon the absence of, other insurance. When this insurance is primary and the "insured" has other insurance which is stated to be applicable to the "claim" or "loss" on an excess basis, the amount of our liability under this policy shall not be reduced by the existence of such excess insurance.
- When both this insurance and other insurance apply to the "claim" or "loss" on the same basis, whether primary, excess or contingent, we shall not be liable under this policy for a greater proportion of the "claim" or "loss" than that set out in the Declarations or the following contribution provision, whichever method is lower:
- Contribution by Equal Shares - Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the "cleanup costs" or "loss" remains, whichever occurs first; or
 - Contribution by Limits - Each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.
- J. SEPARATION OF INSURED** - Except with respect to the Limits of Liability and any rights and duties specifically assigned to you, this insurance applies:
- as if each Named Insured were the only Named Insured; and
 - separately to each "insured" against whom "claim" is made.

Mar-14-03 * 12:57pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.014/018 F-970

Misrepresentation, concealment, breach of condition or violation of any duty under this policy by one "insured" shall not prejudice the interest of coverage for another "insured" under this policy.

L. SOLE AGENT - The first Named Insured shall act on behalf of all "insureds" for all purposes, including but not limited to the payment or return of premium, receipt and acceptance of any endorsement issued to form a part of this policy, giving and receiving notice of cancellation or non-renewal, and the exercise of the rights provided in the extended reporting periods clause.

M. SUBROGATION - In the event of any payment under this policy, we shall be subrogated to all an "insured's" rights of recovery against any person or organization. An "insured" shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The "insured" shall do nothing to prejudice such rights.

Any recovery obtained through subrogation, after expenses incurred in such subrogation are deducted by the party bearing the expense, shall be applied proportionately to you and us for actual payments as a result of judgment, settlement or defense of a "claim".

Mar-14-03. 12:57pm From-EPA ENV. JUSTICE

+404 562 9664

T-344 P.015/018 F-970

Important Notice



Service of Suit

In the event of our failure to pay any amount to be due under this policy, at your request, we will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver of our right to commence an action in any court of competent jurisdiction in the United States to remove an action to a United States District Court or to seek a transfer of a case to another court as permitted by the laws of the United States or any state in the United States. It is agreed that service of process in such suit may be made upon our General Counsel, Law Department, Steadfast Insurance Company, 1400 American Lane, Schaumburg, Illinois 60196-1056, or his or her representative, and we will abide by the final decision of such court or of any appellate court in the event of an appeal of any suit initiated against us under this policy.

If any statute of any state, territory or district of the United States requires service of process be made upon an officer of the state, we designate the Superintendent, Commissioner, or Director of Insurance, or other officer specified for this purpose in the statute, as our true and lawful attorney whom may be served any lawful process instituted by you or on your behalf, or any beneficiary, arising out of this policy. We designate our General Counsel as the person to whom the officer is authorized to mail such process.

In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, we agree to provide insurance as stated in this policy. This policy shall not be valid unless countersigned by our duly authorized representative.

In Witness Whereof, we have executed this policy, and, where required, have had it countersigned by our duly authorized representative.

President
Steadfast Insurance Company

Corporate Secretary
Steadfast Insurance Company

Mar-14-03 12:57pm From:EPA ENV. JUSTICE

+404 562 8664

T-344 P.016/018 F-970

Schedule of Forms and Endorsements

| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:**Producer:**

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Willis Corp
7 Hanover Square
New York NY 10004-2594

Environmental Impairment Liability Insurance Policy

| <u>FORM NUMBER</u> | <u>TITLE</u> | <u>ENDORSEMENT NUMBER</u> |
|--------------------------|---|---------------------------|
| U-EIL-D-100-B CW (8/99) | Declaration Page | |
| U-EIL-100-B CW (8/99) | Coverage | |
| STF-ENVL-990-A CW (6/00) | Service of Suits | |
| U-ENVL-803-A CW (12/99) | Schedule of Forms and Endorsement | |
| U-EIL-209-B CW (8/99) | Extended Reporting Period | Endorsement #1 |
| U-EIL-413-A CW (8/99) | Time Element Pollution Event Limitation | Endorsement #2 |
| U-EIL-408-A CW (2/00) | Onsite Cleanup Costs Exclusion | Endorsement #3 |
| U-PLC-MAN-4(04-01-02) | Manuscript | Endorsement #4 |
| U-EIL-401-A CW (8/99) | Non-Owned Covered Location(s) | Endorsement #5 |
| U-EIL-203-B CW (8/99) | Covered Location | Endorsement #6 |
| STF-ENVL-827-A CW(2/00) | Self Insured (Claim Expenses Included) | Endorsement #7 |
| STF-ENVL-827-A CW(2/00) | Self Insured (Claim Expenses Included) | Endorsement #7a |
| U-EIL-409-A-NY (8/99) | Transportation of Materials by Carrier | Endorsement #8 |
| U-FTZ-133-A-NY (2/00) | Insurance Law Section 3420 | Endorsement #9 |
| U-FTZ-134-A-NY (2/00) | Cancellation & Nonrenewal NY | Endorsement #10 |
| U-FTZ-135-A-NY (2/00) | Amendatory Endt. NY | Endorsement #11 |
| U-FTZ-136-A-NY (2/00) | Limit of Liability Disclosure | Endorsement #12 |
| U-FTZ-137-A-NY (2/00) | Defense Provision NY | Endorsement #13 |
| U-FTZ-138-A-NY (2/00) | Extended Reporting Period NY | Endorsement #14 |
| U-FTZ-139-A-NY- (2/00) | Claims Made Disclosure Statement NY | Endorsement #15 |
| STF-EIL-418-A CW (4/02) | Fungus Exclusion | Endorsement #16 |
| U-EIL-411-A CW (8/99) | Transportation of Materials by Insured | Endorsement #17 |

All other terms and conditions of the policy shall apply and remain unchanged.

Signed by: _____

Authorized Representative

Date _____

Copyright © 1999 by Zurich Insurance Company

U-ENVL-803-A CW (12/99)

Page 1 of 1

Mar-14-03 12:58pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.017/018 F-970

Endorsement # 1

Extended Reporting Period

| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Producer:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Environmental Impairment Liability Insurance Policy - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all terms, exclusions and conditions of the policy that we will extend the time for reporting "claim(s)" after termination of this policy. This period of extension shall be effective from 12:01 am on April 01, 2003 to 12:01 am on May 30, 2003

This endorsement provides coverage for "claim(s)" by third parties that would have been covered under the terms of this policy had they been reported before your coverage ended or terminated. Coverage shall be provided by this endorsement provided that:

1. the "pollution event" commenced subsequent to a retroactive date, if any, and before the end of the "policy period"; and
2. you have not purchased any other insurance to replace coverage provided by this endorsement; and
3. the "claim" is otherwise covered under the terms and conditions of this policy.

We will provide the Each Claim Limit of Liability subject to that which is remaining in the Total for all Claims Limit of Liability shown in the Declarations to this policy, but only for "claim(s)" first reported to us pursuant to the policy during the extended reporting period endorsement. The purchase of an extended reporting period does not reinstate or increase the Limit of Liability shown in the Declarations as applicable to the Total for all Claims.

We have the right to cancel this endorsement according to the policy terms if you fail to pay any premium when due.

All other terms and conditions of the policy shall apply and remain unchanged.

Signed by: _____

Authorized Representative

Date _____

Copyright © 1999 by Zurich Insurance Company.

U-EIL-209-B CW (2/99)

Page 1 of 1

All rights reserved. No part of this document covered by the copyright herein may be reproduced or copied in any form by any means - graphic, electronic, or mechanical, including photocopying, taping or information storage and retrieval systems - without written permission of the Zurich American Insurance Company.

Endorsement # 2

Time Element Pollution Event Limitation



For Location two only - Vicks Chemical Company
P.O. Box 821003, Rifle Range Road, Vicksburg, MS 39180

| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Producer:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Environmental Impairment Liability Insurance Policy - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions and conditions of the policy that:

1. INSURING AGREEMENT (Section I) is deleted and replaced by the following:

INSURING AGREEMENT

We will pay on behalf of an "insured" any "claims" for "loss" an "insured" is legally obligated to pay as a result of a "pollution event" on, at, under or coming from a "covered location".

CONDITIONS PRECEDENT TO COVERAGE:

It is a condition precedent to coverage that the "insured" establish, at their expense, that the "pollution event":

- a. can be identified as having first commenced at a specific time and date during the term of coverage under this policy for the "covered location";
- b. was discovered by an "insured" within seven (7) days after its commencement; and
- c. was reported as soon as possible to us by the "insured", but not later than thirty (30) days after being discovered by the "insured", pursuant to CLAIMS PROVISIONS (Section VII), B. NOTICE OF POLLUTION EVENT as amended by this endorsement.

If we have a factual disagreement about the above conditions the burden of proof rests with the "insured" at their expense. We have no obligation to defend any "claim" or pay any "loss" until we have accepted the "insured's" proof.

Any "claim(s)" for "loss(es)" caused by a "pollution event" must be made against the insured and reported to us as soon as possible but in no event later than one (1) year after policy expiration or termination. In no event shall coverage apply if a "claim" is reported to us later than one (1) year after the policy has expired or has been terminated.

DEFENSE

We shall have the right and duty to assume the adjustment, defense and settlement of any "claim" brought by or on behalf of a third party seeking payment for "loss(es)" to which this insurance applies, but only if the above conditions precedent to coverage are met. "Claim expense(s)" reduces the applicable Limits of Liability set out in the Declarations as described in LIMITS OF LIABILITY AND DEDUCTIBLE (Section VI.).

Mar-14-03 • 12:58pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.002/032 F-971

Our duty to adjust, defend and settle all "claims" to which this insurance applies, pending and future, ends when the applicable Limits of Liability have been rendered into court or exhausted by payment of "claim expense(s)" or "loss(es)".

3. EXTENDED REPORTING PERIOD (Section V.) is deleted.
4. LIMIT OF LIABILITY & DEDUCTIBLE (Section VI.), subsection D., paragraphs 4 and 5 are deleted.
5. CLAIM PROVISIONS (Section VII.) is amended as follows:

a. Subsections A., B. and C. are deleted and replaced by the following:

A. NOTICE OF CLAIM

In the event of a "claim", the "insured" shall give written or oral notice to us as soon as possible containing particulars sufficient to identify the "insured" and reasonably obtainable information with respect to:

1. the time, place, "covered location", associated "pollution event" and circumstances of the "claim";
2. the names and addresses of any injured parties and available witnesses;
3. any and all investigative or engineering reports, data or information about the "pollution event" or "loss"; and
4. any and all other relevant information about the "claim", "pollution event" or "loss".

If a "claim" is made against an "insured", the "insured" shall immediately forward to us every demand, notice, summons, complaint, order, communication or other process received by an "insured" or its representative.

B. NOTICE OF POLLUTION EVENT

If the "insured" reports a "pollution event" the "insured" shall provide written or oral notice to us containing particulars sufficient to identify an "insured" and reasonably obtainable information with respect to:

1. the time, place, "covered location(s)", circumstances and explanation of the discovery of the "pollution event", including how and when the "insured" first became aware of the "pollution event";
2. the names and addresses of any injured parties and of available witnesses;
3. any and all investigative or engineering reports, data or other information about the "pollution event"; and
4. any and all other relevant information about the "pollution event".

C. NOTICE TO US

All "pollution events" and "claims" shall be reported to:

Zurich U.S.
Environmental Claims Unit
1400 American Lane
Schaumburg, Illinois 60196-1056
Attn.: Managing Account Specialist -
Environmental Specialties

or any other address as substituted by us by endorsement onto the policy.

In the event of oral notice, the "insured" agrees to furnish a written report to us as soon as possible.

All other terms and conditions of the policy shall apply and remain unchanged.

Signed by: _____
Authorized Representative

Date

Mar-14-03 12:58pm From-EPA ENV. JUSTICE

+404 562 9664

T-344 P.003/032 F-971

Endorsement # 3

Onsite Cleanup Costs Exclusion

| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Producer:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Environmental Impairment Liability Policy - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions and conditions of the policy that:

EXCLUSIONS (Section IV.) is amended by the addition of the following exclusion:

S. "cleanup costs" on, at or under a "covered location(s)".

For Cedar Chemical Facility, West Helena, AR

All other terms and conditions of the policy shall apply and remain unchanged.

Signed by: _____
Authorized Representative_____
Date

Endorsement # 4



| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Producer:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Environmental Impairment Liability Insurance Policy - Claims Made and Reported Coverage

It is hereby agreed that no coverage is provided for loss arising out of 1,2 Dichlorethane contamination at Cedar Chemical Facility, West Helena, Arkansas.

All other terms and condition of the policy shall apply and remain unchanged.

Signed by: _____
Authorized Representative

Date

Endorsement # 5

Non-Owned Covered Location(s)

Off Site Coverage

**ZURICH**

| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Producer:-

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Environmental Impairment Liability Insurance Policy - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions and conditions of the policy that pursuant to EXCLUSIONS (Section IV.), Exclusion L., the location(s) scheduled below is considered a "covered location" under the policy:

SCHEDULE

| LOCATION NAME | ADDRESS | RETROACTIVE DATE |
|------------------------------------|--|------------------|
| Hamm's Rubbish, 1757 | Marion Marysville Rd., Marion, OH 43302 | August 20, 2001 |
| Lorain County Landfill | 43502 Oberlin-Elyria Road, Oberlin Road | August 20, 2001 |
| Safety-Kleen | 4090 Tefler Side Road, RR#1, Conuna, Ontario | August 30, 2001 |
| Chemical Waste Management | Emelle, AL | August 20, 2001 |
| Chemical Waste Management | Carlyss, LA | August 20, 2001 |
| Chemical Waste Management | Port Arthur, TX | August 20, 2001 |
| Chemical Waste Management | Millington, TN | August 20, 2001 |
| Trade Waste Incineration | Sauget, IL | August 20, 2001 |
| Enseo, Inc., | El Dorado, AR | August 20, 2001 |
| Texas Ecologists | Robstown, TX | August 20, 2001 |
| Calgon Carbon | Cartlesburg, PA | August 20, 2001 |
| CECOS International | Livingston, LA | August 20, 2001 |
| Laidlaw Environmental Services | Greenbricr, TN | August 20, 2001 |
| Rollins Environmental Services | Plaquemine, LA | August 20, 2001 |
| Browning-Ferris, Inc. | Little Dixie Landfill | August 20, 2001 |
| S & N Custom Farming | Redwood, MS | August 20, 2001 |
| Ashland Distribution, | 455 Industrial Drive, Jackson, MS 39209 | August 30, 2001 |
| Browning-Ferris Industries | PO Box 4736, Greenville, MS 38704 | August 30, 2001 |
| Browning-Ferris Industries | 48 Landfill Rd., Leland, MS 38756 | August 30, 2001 |
| Pollution Control Industries (PCI) | 5485 Tay-For Dr., Millington, TN | August 30, 2001 |
| Pollution Control Industries (PCI) | 4343 Kennedy, East Chicago, IL | August 30, 2001 |
| Rinco Chemical Industries | 1007 Vulcan Road-Haskell, Benton, AR | August 30, 2001 |

Mar-14-03 01:00pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.006/032 F-871

1. The retroactive date shall be the earliest date that a "pollution event" can commence for coverage to be provided under the policy. If no entry appears or N/A appears in the retroactive date then a retroactive date shall not apply to that specific non-owned "covered location" scheduled above.
2. EXCLUSIONS (Section IV.) is amended to include the following Exclusions applicable to coverage provided under this endorsement only:
 - A. any scheduled non-owned "covered location" that is owned or operated in whole or in part by the "insured" or an employee of the "insured" or any subsidiary or affiliated company of the "insured";
 - B. any "claim" brought by the owner or operator of the scheduled non-owned "covered location";
 - C. any "loss" on, at or under the scheduled non-owned "covered location"; and
 - D. any "cleanup costs" incurred for the remediation of soil or groundwater contamination to or at the location, even if such "cleanup costs" are incurred to avoid or mitigate a "pollution event" which may be covered under this policy.
3. CONDITIONS. (Section VIII.), Condition I, Other Insurance, shall be deleted in its entirety and the following Condition I, shall apply only to coverage provided by this endorsement:
 - I. **OTHER INSURANCE** - When other insurance is available to the "insured" for "cleanup costs" and "loss" covered under the terms and conditions of this policy and this endorsement, our obligation to the "insured" shall be as follows:
 1. The coverage provided by this policy and this endorsement shall apply as excess insurance over any other valid and collectible insurance, be it primary or excess. This excess insurance shall operate as primary insurance as a result of the receivership, insolvency, or inability to pay of any insurer with respect to both the duty to indemnify and the duty to defend. However, this does not apply to the "insured" while acting as a self-insured for any coverage.
 2. Where this policy and this endorsement is excess insurance, we will pay only our share of the amount of "cleanup costs" and "loss" including "claim expense", if any, that exceeds the total amount of all such valid and collectible insurance.

The "insured" shall promptly upon our request provide us with copies of all policies potentially applicable against the liability covered by this endorsement.

All other terms and conditions of this policy shall apply and remain unchanged.

Signed by: _____

Authorized Representative

Date

Mar-14-03 01:00pm From:EPA ENV. JUSTICE

+404 562 9664

T-344 P.007/032 F-871

Endorsement # 6

Covered Location(s)

| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Recurm Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Producer:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Environmental Impairment Liability Insurance Policy - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions and conditions of the policy that the Declarations shall be amended to include the following "covered location(s)" and retroactive date(s):

"COVERED LOCATION(S)"**RETROACTIVE DATE(S)**

| | |
|---|------------|
| 1. Cedar Chemical, 4280 Rifle Range Rd., West Helena, AR 72390 | 04/01/1996 |
| 2. Vicksburg Chemical, Rifle Range road, Vicksburg, MS 29180 | 04/01/1996 |
| 3. Na-Churs Alpine Solutions, 421 Leader Street, Marion, OH | 04/01/1996 |
| 4. Na-Churs Alpine Solutions., 1705 N. Broadway, Red Oak, Iowa | 04/01/1996 |
| 5. Na-Churs Alpine Solutions, 3185 Cline Road, Croydon, IN | 12/18/1998 |
| 6. VJ, 500 W. Orange Blossom, Tr, Apoka, FL 37212 | 02/11/1999 |
| 7. Plant Products, 314 Orenda Rd., Brampton, ON Canada | 01/01/1999 |
| 8. Alpine Solutions, 1356 Nafziger Rd., Baden, ON Canada | 12/18/1998 |
| 9. North Hungarian Chemical, 3792 Sajobabony, Hungary | 05/06/1998 |
| 10. Cedar Shemical Corp., 5100 Poplar Avenue, Suite 2414, Memphis, TN | 04/01/1996 |
| 11. VJ Growers Supply, 4941 Chastain Avenue, Charlotte, NC | 04/01/1996 |
| 12. TRI, 375 Park Avenue, New York, NY 10152 | 04/01/1996 |
| 13. Haifa USA, 6800 Jericho Turnpike #207E, Syosset, NY | 04/01/1996 |
| 14. Vopak Canada Ltd, 153 Towerline Place, London, ON | 10/30/2001 |
| All warehouses and sales offices owned or operated by Trans-Resources, Inc. | 04/01/2001 |

Mar-14-03 01:00pm From-EPA ENV. JUSTICE

+404 562 9664

T-344 P.008/032 F-971

The retroactive date shall be the earliest date that a "pollution event" can commence for coverage to be provided under the policy. If no entry appears or N/A appears in the retroactive date then a retroactive date shall not apply to that specific "covered location".

All other terms and condition of the policy shall apply and remain unchanged.

Signed by: _____

Authorized Representative

Date

Mar-14-03 01:01pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.008/032 F-871

Endorsement # 7

Self Insured Retention (Claim Expenses Included)



This Endorsement applies to:

Cedar Chemical Corp, 5100 Poplar Ave, Memphis TN 38137

| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Producer:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Environmental Impairment Liability Insurance Policy - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions and conditions of the policy, that all references to Deductible in the policy shall be deleted and replaced with Self Insured Retention and LIMITS OF LIABILITY AND DEDUCTIBLE (Section VI.), Paragraph C., Deductible shall be deleted in its entirety for all Cedar Chemical (and subsidiary) locations or non-owned covered locations and the following shall apply. In the event that this endorsement conflicts with any other provision in this policy, this endorsement shall control the application of this insurance.

1. Self Insured Retention

- A. The Self Insured Retention amount shown in this schedule, below, shall be your obligation for payment of all "cleanup cost(s)" and "loss(es)", including "claim expense(s)", until the Self Insured Retention is exhausted by such payments. The Self Insured Retention amount is the most you will pay for Self Insured Retention amounts arising out of any "claim", regardless of the number of persons or organizations making "claim(s)" or bringing suits. The Self Insured Retention amount applies to those "cleanup cost(s)", "loss(es)" and "claim expense(s)" that would be covered by this policy in the absence of this endorsement.

SCHEDULE**Self Insured Retention Amounts****\$ 100,000 Each Claim****\$ N/A Total for all Claims****Periodic Reporting of Status of Claims Requirement**

*Equal to the Deductibles on Declarations Page

- B. If a Total for all Claims Self Insured Retention is shown in the Schedule, above, then such amount will be the most you will pay for all Self Insured Retention amounts under this policy. If no entry appears or N/A appears in the Total for all Claims Self Insured Retention, above, then you are responsible for payment of the Self Insured Retention amount for each and every "claim". The Total for all Claims Self Insured Retention amount applies separately to each consecutive annual period

Copyright © 2000 by Zurich Insurance Company

STF-ENVL-827-A CW (2/00)

Page 1 of 3

All rights reserved. No part of this document covered by the copyrights hereon may be reproduced or copied in any form by any means - graphic, electronic, or mechanical, including photocopying, taping or information storage and retrieval systems - without written permission of the Zurich Insurance Company.

Mar-14-03 01:01pm From:EPA ENV. JUSTICE

+404 562 9664

T-344 P.010/032 F-971

and to any remaining period of less than twelve (12) months. The Total for all Claims Self Insured Retention amount is not subject to proration in the event this policy is canceled midterm.

- C. If a Maintenance Deductible is shown in the Schedule, above, then such Maintenance Deductible shall apply for each and every "claim", but only when the Total for all Claims Self Insured Retention has been satisfied by the actual payment of the Each Claim Self Insured Retention amounts. Once the Maintenance Deductible applies because of the satisfaction of the Total for all Claims Self Insured Retention, the original LIMITS OF LIABILITY AND DEDUCTIBLE (Section VI), Paragraph C, Deductible shall apply. If no entry appears or N/A appears in the Maintenance Deductible and the Total for all Claims Self Insured Retention amount is exhausted by payments for "cleanup cost(s)" and "loss(es)", including "claim expense(s)", then we are obligated to pay all "cleanup cost(s)" and "loss(es)", including "claim expense(s)" to the Limits of Liability and covered under the policy without the application of the Each Claim or Total for all Claims Self Insured Retention amounts or a Maintenance Deductible amount. If no entry appears or N/A appears in the Maintenance Deductible and in the Total for all Claim(s) Self Insured Retention then you are responsible for payment of the Each Claim Self Insured Retention amount for each and every "claim".
- D. You shall pay all amounts as those amounts are incurred until you have paid all amounts for "cleanup cost(s)", "loss(es)" or "claim expense(s)" or any other such coverage which may be included in the policy by endorsement, equal to the applicable Self Insured Retention amount or Maintenance Deductible amount.

2. Authorized Claim Service Provider

- A. You shall employ a claim service provider acceptable to us for the purpose of providing claim services for settlement of "claim(s)" within the Self Insured Retention amounts. The fees, charges, and costs of the claim service provider shall be in addition to the Self Insured Retention amount, without any reimbursement from us.
- B. In the event of cancellation, expiration or revision of the claims service contract between you and the claims service provider, you shall notify us within ten (10) days of such change and shall replace the claims service provider with another claim service provider that is acceptable to us.

3. Notice of Claim

- A. Pursuant to the notice of claim provisions found in CLAIM PROVISIONS (Section VII.) of the policy, you must notify us as soon as possible and follow the below procedures for reporting "claim(s)" within the Self Insured Retention:
- i. Potential exposure which equals or exceeds 50% of the Each Claim Self Insured Retention amount shown in the Schedule preceding;
 - ii. "Claim" or loss reserve established which equals or exceeds 50% of the Each Claim Self Insured Retention amount shown in the Schedule preceding;
 - iii. Potential judgment without regard to liability, which equals or exceeds 50% of the Each Claim Self Insured Retention amount shown in the Schedule preceding;
 - iv. "Claim" or potential claim which involves any of the following injuries:
 - a. Death;
 - b. Brain Damage;
 - c. Paraplegic or quadriplegic impairment;
 - d. Amputation or serious functional impairment of any major limb;
 - e. Severe burns involving more than 25% of the body or causing serious disfigurement;
 - f. Sensory impairment (sight, hearing, taste or smell);
 - g. Severe internal body organ damage or loss;
 - h. Multiple fractures involving more than one body part;
 - i. Permanent and total disability;
 - j. Significant psychological/neurological involvement;
 - k. explosion or fire;
 - l. class action suits.
- B. If the Maintenance Deductible amount applies you shall report "claim(s)" pursuant to CLAIM PROVISIONS (Section VII.) as stated in the policy.

Mar-14-03 01:01pm From:EPA ENV. JUSTICE

+404 562 9664

T-344 P.011/032 F-871

4. Reporting of Status of Claim

A. You must report on the status of "claim(s)" within the Self Insured Retention amount in the following manner:

1. You or the authorized claim service provider must monitor the cumulative Self Insured Retention incurred amounts sustained during the "policy period" and report those total amounts to us in accordance with the time periods of report indicated in the Periodic Reporting of Status of Claim requirement of the Schedule, above, of this endorsement. If the total of all incurred "cleanup cost(s)" and "loss(es)" including "claim expense(s)" should at any time during the "policy period" attain a total amount equal to 75% of the Total for all Claims Self Insured Retention amount, you are required in that event to make an immediate report to us as to total incurred "cleanup cost(s)" and "loss(es)" including "claim expense(s)" sustained at that time.

B. The report that you send to us must be in a format that is acceptable to us, and include an accounting of all individual "cleanup cost(s)" and "loss(es)" including "claim expense(s)" incurred as of the date of the report.

C. Within forty-five (45) days after the end of the "policy period", you must give us a listing of all existing "claim(s)" within the Each Claim Self Insured Retention amounts. At a minimum, such listing will include the following for each "claim":

i. A description of each "claim";

ii. The date of the underlying act, error or omission or "pollution event";

iii. The amounts paid and reserved for future payments for "cleanup cost(s)", and "loss(es)" including "claim expense(s)"; and

iv. The current status of the "claim".

D. Quarterly thereafter, you are required to give to us an updated listing of the status of all "claim(s)", both paid and reserved, until all "claim(s)" for the "policy period" are closed or settled.

E. Compliance with the reporting requirements set forth in this endorsement is a condition precedent to coverage. You acknowledge that in the event of non compliance we shall not be required to establish prejudice resulting from the non compliance, but shall be automatically relieved of liability with respect to the "claim".

5. Self Insured Retention and Claim Expenses

A. In the event that you refuse to respond to obligations for the payment of Self Insured Retention amounts for any reason, the insurance provided by this policy shall not make payments for you, nor in any event shall we be required to substitute for you as respects your responsibility for payment of these Self Insured Retention amounts.

B. We shall be liable only for the amount of "cleanup cost(s)", and "loss(es)" including "claim expense(s)" in excess of the Self Insured Retention amounts as applicable, shown in the Schedule above of this endorsement, up to the applicable Limits of Liability shown in the Declarations.

6. Settlement of Claims

You may not settle any "claim" which exceeds any Self Insured Retention amount indicated in the Schedule above without our prior written approval. If the "insured" fails to obtain such prior written approval, we shall have no obligation to provide coverage for that "claim" under this policy.

We have the right to negotiate the settlement of any "claim" tendered to us and covered under terms and conditions of the policy which may exceed the Self Insured Retention amount shown in the Schedule, above, in this endorsement. We may pay any or all of the Self Insured Retention amounts on your behalf to defend or to effect settlement of the "claim". If we have paid such amounts we shall be reimbursed promptly by you.

All other terms and conditions of the policy shall apply and remain unchanged.

Signed by _____

Authorized Representative

Date _____

Mar-14-03 01:01pm From-EPA ENV. JUSTICE

+404 582 8664

T-344 P.012/032 F-871

Endorsement # 7a

Self Insured Retention (Claim Expenses Included)



This Endorsement applies to:

Cedar Chemical Corp, 4280 Rifle Range Road, West Helena, AR 72390

| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Recurr Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 187-1000 | N/A | N/A |

Named Insured and Mailing Address:

Producer:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Environmental Impairment Liability Insurance Policy - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions and conditions of the policy, that all references to Deductible in the policy shall be deleted and replaced with Self Insured Retention and LIMITS OF LIABILITY AND DEDUCTIBLE (Section VI), Paragraph C., Deductible shall be deleted in its entirety for all Cedar Chemical (and subsidiary) locations or non-owned covered locations and the following shall apply. In the event that this endorsement conflicts with any other provision in this policy, this endorsement shall control the application of this insurance.

1. Self Insured Retention

- A. The Self Insured Retention amount shown in this schedule, below, shall be your obligation for payment of all "cleanup cost(s)" and "loss(es)", including "claim expense(s)", until the Self Insured Retention is exhausted by such payments. The Self Insured Retention amount is the most you will pay for Self Insured Retention amounts arising out of any "claim", regardless of the number of persons or organizations making "claim(s)" or bringing suits. The Self Insured Retention amount applies to those "cleanup cost(s)", "loss(es)" and "claim expense(s)" that would be covered by this policy in the absence of this endorsement.

SCHEDULE**Self Insured Retention Amounts****\$ 200,000 Each Claim****\$ N/A Total for all Claims**

*Equal to the Deductibles on Declarations Page

- B. If a Total for all Claims Self Insured Retention is shown in the Schedule, above, then such amount will be the most you will pay for all Self Insured Retention amounts under this policy. If no entry appears or N/A appears in the Total for all Claims Self Insured Retention, above, then you are responsible for payment of the Self Insured Retention amount for each and every "claim". The Total for all Claims Self Insured Retention amount applies separately to each consecutive annual period

Mar-14-03 01:02pm From:EPA ENV. JUSTICE

+404 562 8664

T-344 P.013/032 F-871

and to any remaining period of less than twelve (12) months. The Total for all Claims Self Insured Retention amount is not subject to proration in the event this policy is canceled midterm.

- C. If a Maintenance Deductible is shown in the Schedule, above, then such Maintenance Deductible shall apply for each and every "claim", but only when the Total for all Claims Self Insured Retention has been satisfied by the actual payment of the Each Claim Self Insured Retention amounts. Once the Maintenance Deductible applies because of the satisfaction of the Total for all Claims Self Insured Retention, the original LIMITS OF LIABILITY AND DEDUCTIBLE (Section VI.), Paragraph C., Deductible shall apply. If no entry appears or N/A appears in the Maintenance Deductible and the Total for all Claims Self Insured Retention amount is exhausted by payments for "cleanup cost(s)" and "loss(es)", including "claim expense(s)", then we are obligated to pay all "cleanup cost(s)" and "loss(es)", including "claim expense(s)" to the Limits of Liability and covered under the policy without the application of the Each Claim or Total for all Claims Self Insured Retention amounts or a Maintenance Deductible amount. If no entry appears or N/A appears in the Maintenance Deductible and in the Total for all Claim(s) Self Insured Retention then you are responsible for payment of the Each Claim Self Insured Retention amount for each and every "claim".
- D. You shall pay all amounts as those amounts are incurred until you have paid all amounts for "cleanup cost(s)", "loss(es)" or "claim expense(s)" or any other such coverage which may be included in the policy by endorsement, equal to the applicable Self Insured Retention amount or Maintenance Deductible amount.

2. Authorized Claim Service Provider

- A. You shall employ a claim service provider acceptable to us for the purpose of providing claim services for settlement of "claim(s)" within the Self Insured Retention amounts. The fees, charges, and costs of the claim service provider shall be in addition to the Self Insured Retention amount, without any reimbursement from us.
- B. In the event of cancellation, expiration or revision of the claims service contract between you and the claims service provider, you shall notify us within ten (10) days of such change and shall replace the claims service provider with another claim service provider that is acceptable to us.

3. Notice of Claim

- A. Pursuant to the notice of claim provisions found in CLAIM PROVISIONS (Section VII.) of the policy, you must notify us as soon as possible and follow the below procedures for reporting "claim(s)" within the Self Insured Retention:
- i. Potential exposure which equals or exceeds 50% of the Each Claim Self Insured Retention amount shown in the Schedule preceding;
 - ii. "Claim" or loss reserve established which equals or exceeds 50% of the Each Claim Self Insured Retention amount shown in the Schedule preceding;
 - iii. Potential judgment without regard to liability, which equals or exceeds 50% of the Each Claim Self Insured Retention amount shown in the Schedule preceding;
 - iv. "Claim" or potential claim which involves any of the following injuries:
 - a. Death;
 - b. Brain Damage;
 - c. Paraplegic or quadriplegic impairment;
 - d. Amputation or serious functional impairment of any major limb;
 - e. Severe burns involving more than 25% of the body or causing serious disfigurement;
 - f. Sensory impairment (sight, hearing, taste or smell);
 - g. Severe internal body organ damage or loss;
 - h. Multiple fractures involving more than one body part;
 - i. Permanent and total disability;
 - j. Significant psychological/neurological involvement;
 - k. explosion or fire;
 - l. class action suits.
- B. If the Maintenance Deductible amount applies you shall report "claim(s)" pursuant to CLAIM PROVISIONS (Section VII.) as stated in the policy.

Mar-14-03 01:02pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.014/032 F-971

4. Reporting of Status of Claim

A. You must report on the status of "claim(s)" within the Self Insured Retention amount in the following manner:

i. You or the authorized claim service provider must monitor the cumulative Self Insured Retention incurred amounts sustained during the "policy period" and report those total amounts to us in accordance with the time periods of report indicated in the Periodic Reporting of Status of Claim requirement of the Schedule, above, of this endorsement. If the total of all incurred "cleanup cost(s)" and "loss(es)" including "claim expense(s)" should at any time during the "policy period" attain a total amount equal to 75% of the Total for all Claims Self Insured Retention amount, you are required in that event to make an immediate report to us as to total incurred "cleanup cost(s)" and "loss(es)" including "claim expense(s)" sustained at that time.

B. The report that you send to us must be in a format that is acceptable to us, and include an accounting of all individual "cleanup cost(s)" and "loss(es)" including "claim expense(s)" incurred as of the date of the report.

C. Within forty-five (45) days after the end of the "policy period", you must give us a listing of all existing "claim(s)" within the Each Claim Self Insured Retention amounts. At a minimum, such listing will include the following for each "claim":

i. A description of each "claim";

ii. The date of the underlying act, error or omission or "pollution event";

iii. The amounts paid and reserved for future payments for "cleanup cost(s)", and "loss(es)" including "claim expense(s)"; and

iv. The current status of the "claim".

D. Quarterly thereafter, you are required to give to us an updated listing of the status of all "claim(s)", both paid and reserved, until all "claim(s)" for the "policy period" are closed or settled.

E. Compliance with the reporting requirements set forth in this endorsement is a condition precedent to coverage. You acknowledge that in the event of non compliance we shall not be required to establish prejudice resulting from the non compliance, but shall be automatically relieved of liability with respect to the "claim".

5. Self Insured Retention and Claim Expenses

A. In the event that you refuse to respond to obligations for the payment of Self Insured Retention amounts for any reason, the insurance provided by this policy shall not make payments for you, nor in any event shall we be required to substitute for you as respects your responsibility for payment of these Self Insured Retention amounts.

B. We shall be liable only for the amount of "cleanup cost(s)", and "loss(es)" including "claim expense(s)" in excess of the Self Insured Retention amounts as applicable, shown in the Schedule above of this endorsement, up to the applicable Limits of Liability shown in the Declarations.

6. Settlement of Claims

You may not settle any "claim" which exceeds any Self Insured Retention amount indicated in the Schedule above without our prior written approval. If the "insured" fails to obtain such prior written approval, we shall have no obligation to provide coverage for that "claim" under this policy.

We have the right to negotiate the settlement of any "claim" tendered to us and covered under terms and conditions of the policy which may exceed the Self Insured Retention amount shown in the Schedule, above, in this endorsement. We may pay any or all of the Self Insured Retention amounts on your behalf to defend or to effect settlement of the "claim". If we have paid such amounts we shall be reimbursed promptly by you.

All other terms and conditions of the policy shall apply and remain unchanged.

Signed by: _____

Authorized Representative

Date

Mar-14-03 01:03pm From:EPA ENV. JUSTICE

+404 562 9864

T-344 P.015/032 F-971

Endorsement # 8

Transportation Of Materials By Carrier

(Automobile, Aircraft, Vessel, Rolling Stock)



| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Producer:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Environmental Impairment Liability Insurance Policy - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions and conditions of the policy that pursuant to EXCLUSIONS (Section IV.), Exclusion P., coverage shall be provided by this endorsement for "loss" resulting from the "transportation" of "materials" by a "carrier". This coverage shall not be utilized to evidence financial responsibility under any federal, state or local law.

1. **DEFINITIONS** (Section II.) is amended to include the following Definitions applicable to coverage provided under this endorsement only:

- A. "Carrier" means any person or entity pursuant to written contract that "transports" the "insured's" "materials" by "automobile", aircraft, "vessel" or rolling stock.
- B. "Material(s)" means goods, products or waste including oil, petroleum, pesticide products, and materials to be recycled, reconditioned or reclaimed "transported" by a "carrier" that is properly licensed to "transport" such goods, products or waste.
- C. "Transportation" or "transported" or "transport" commences with the loading of the "materials" in the physical possession of the "carrier" onto an "automobile", aircraft, "vessel" or rolling stock and ends when the unloading of the "materials" in the physical possession of the "carrier" from the "automobile", aircraft, "vessel" or rolling stock is complete.
- D. "Vessel" means any watercraft used or capable of being used as a means of "transportation" on water, whether self-propelled or otherwise, and includes barges and tugs.
- E. "Wrongful delivery" means the delivery of any "materials" into the wrong receptacle or to the wrong address, or the delivery of one type of "material" in error for another.

2. **EXCLUSIONS** (Section IV.) is amended to include the following exclusions applicable to coverage provided under this endorsement only:

- A. damage to "materials" or an "automobile", aircraft, "vessel" or rolling stock;
- B. "wrongful delivery"; and
- C. the movement or "transportation" of "materials" by someone or some entity other than a "carrier".

3. **CONDITIONS**, (Section VIII.) Condition I., *Other Insurance* shall be deleted in its entirety and the following Condition I., shall apply only to coverage provided by this endorsement:

- I. **OTHER INSURANCE** - When other insurance is available to the "insured" for "loss" covered under the terms and conditions of this policy and this endorsement, our obligation to the "insured" shall be as follows:

Copyright © 1999 by Zurich Insurance Company

U-EIL-409-A CW (8/99)
Page 1 of 2

All rights reserved. No part of this document covered by the copyright herein may be reproduced or copied in any form by any means - graphic, electronic, or mechanical, including photocopying, taping or information storage and retrieval systems - without written permission of the Zurich American Insurance Company.

Mar-14-03 01:03pm From-EPA ENV. JUSTICE

+404 562 9664

T-344 P.016/032 F-871

1. The coverage provided by this policy and this endorsement shall apply as excess insurance over any other valid and collectible insurance, be it primary or excess. This excess insurance shall operate as primary insurance as a result of the receivership, insolvency, or inability to pay of any insurer with respect to both the duty to indemnify and the duty to defend. However, this does not apply to the "insured" while acting as a self-insured for any coverage.
2. Where this policy and this endorsement is excess insurance, we will pay only our share of the amount of "loss" including "claim expense", if any, that exceeds the total amount of all such valid and collectible insurance.

Upon our request an "insured" shall promptly provide us with copies of all policies potentially applicable against the liability covered by this endorsement.

All other terms and conditions of the policy shall apply and remain unchanged.

Signed by: _____

Authorized Representative

Date _____

Mar-14-03 01:03pm From-EPA ENV. JUSTICE

+404 562 9664

T-344 P.017/032 F-971

Endorsement # 10

**ZURICH****Cancellation and Nonrenewal
New York**

| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Retain Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Producer:

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Environmental Impairment Liability Insurance Policy

In consideration of the payment of premium and the Deductible by you and the reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions, and conditions of the policy that **CONDITIONS (Section VIII), Paragraph D. CANCELLATION** is deleted in its entirety and replaced with the following:

D. CANCELLATION AND NONRENEWAL

- (A) This policy may be canceled by you by surrender thereof to us or by mailing to us written notice stating when thereafter such cancellation shall be effective. If this policy is canceled by you, we shall retain the customary short rate proportion of the premium.

(B) CANCELLATION OF POLICIES IN EFFECT 60 DAYS OR LESS

We may cancel this policy by mailing or delivering to you written notice of cancellation at least

- (1) thirty (30) days before the effective date of cancellation if cancellation is for any reason not included in paragraph B(2) below.
- (2) fifteen (15) days before the effective date of cancellation if cancellation is for any of the following reasons:
 - (a) Nonpayment of premium;
 - (b) Conviction of a crime arising out of acts increasing the hazard insured against;

Mar-14-03 01:04pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.018/032 F-871

Endorsement # 9

Insurance Law Section 3420(a)(2) Notice New York



| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Producer:

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Environmental Impairment Liability Insurance Policy

In consideration of the payment of premium and the Deductible by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions, and conditions of the policy that CONDITIONS (Section VIII.) shall be amended to include the following:

- M. If judgment against the "insured" in an action brought to recover "loss(es)" or damages for injury sustained or "loss" or damage occasioned during the "policy period" shall remain unsatisfied at the expiration of thirty days from the serving of notice of entry of judgment upon the attorney for the "insured", or upon on the "insured", and upon us, then an action may, except during a stay or limited stay of execution against the "insured" on such judgment, be maintained against us under the terms of the policy for the amount of such judgment not exceeding the amount of the applicable Limit of Liability under the policy.

All other terms and conditions shall apply and remain unchanged.

Signed by: _____

Authorized Representative

Date _____

Copyright © 2000 by Zurich Insurance Company

U-FIZ-133-A-NY (2/00)

Page 1 of 1

All rights reserved. No part of this document covered by the copyrights hereon may be reproduced or copied in any form by any means - graphic, electronic, or mechanical, including photocopying, taping or information storage and retrieval systems - without written permission of the Zurich Insurance Company.

CLASSIFICATION CODE 2-14055 ENVIRONMENTAL

Mar-14-03 01:04pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.018/032 F-971

- (c) Discovery of fraud or material misrepresentation in the obtaining of the policy or in the presentation of a "claim";
- (d) After issuance of the policy or after the last renewal date, discovery of an act or omission, or a violation of any policy condition that substantially and materially increase the hazard insured against, and that occurred subsequent to inception of the current "policy period";
- (e) Material physical change in the property insured, occurring after issuance or last annual renewal anniversary date of the policy that results in the property becoming uninsurable in accordance with our objective, uniformly applied underwriting standards in effect at the time the policy was issued or last renewed; or material change in the nature or extent of the risk, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed;
- (f) Required pursuant to a determination by the Superintendent that continuation of our present premium volume would jeopardize our solvency or be hazardous to the interest of our policyholders, creditors or the public;
- (g) A determination by the Superintendent that the continuation of the policy would violate, or would place us in violation of any provision of the Insurance Code;
- (h) Where we have reason to believe, in good faith and with sufficient cause, that there is a probable risk of danger that an "insured" will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds; or

(C) **CANCELLATION OF POLICIES IN EFFECT FOR MORE THAN 60 DAYS**

- (1) If this policy has been in effect for more than sixty (60) days or if this policy is a renewal or continuation of a policy issued by us, we may cancel this policy only for any of the reasons listed in paragraph B(2) above provided written notice is mailed to you at least fifteen (15) days before the effective date of cancellation.
- (2) We will mail or deliver notice, including the reasons for cancellation to you at the address shown in the policy and to the authorized agent or broker. If notice is mailed, proof of mailing shall be sufficient proof of notice.

(D) The following conditions are added:

(1) **NONRENEWAL**

If we renew this policy subject to a:

- (a) Change of limits;
- (b) Change in a type of coverage;
- (c) Reduction of coverage;

Mar-14-03 01:04pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.020/032 F-871

- (d) Increased deductible;
- (e) Addition of exclusion; or
- (f) Increased premiums in excess of 10%, exclusive of any premium increase due and commensurate with insured value added or increased exposure units; or as a result of experience rating, loss rating, retrospective rating or audit;

We will send notice as provided in paragraph D(2) below.

(2) NOTICE OF NONRENEWAL AND CONDITIONAL RENEWAL

- (a) If we decide not to renew this policy or to conditionally renew this policy, we will mail or deliver written notice to you at the address shown in the Declarations at least sixty (60) but not more than one-hundred and twenty (120) days before:

- (1) the expiration date; or
- (2) the anniversary date if this is a continuous policy.

- (b) Notice will be mailed or delivered to you at the address shown in the policy and to the authorized agent or broker. If notice is mailed, proof of mailing shall be sufficient proof of notice.

- (c) We will not send notice of nonrenewal if your authorized agent or broker mails or delivers notice that the policy has been replaced or is no longer desired.

- (E) If we send you an incomplete or late conditional renewal notice or a late nonrenewal notice as provided for in paragraph D(2) above, coverage shall remain in effect at the same terms and conditions of this policy until sixty (60) days after such notice is mailed or delivered, unless you elect to cancel sooner.

All other terms and conditions of the policy shall apply and remain unchanged.

Signed by: _____
Authorized Representative

Date

Mar-14-03 01:05pm From-EPA ENV. JUSTICE

+404 562 9864

T-344 P.021/032 F-071

Endorsement # 11

Amendatory Endorsement

New York



| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Producer:

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Environmental Impairment Liability Insurance Policy

In consideration of the payment of premium and the Deductible by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions, and conditions of the policy that the preamble to the policy is deleted in its entirety and replaced with the following:

Environmental Impairment Liability Insurance Policy

Claims Made Coverage**Defense Within Limits**

This is a claims made policy. Notice of a potential "claim" is not a "claim" and does not trigger coverage under the policy. This policy has certain provisions and requirements unique to it and may be different from other policies an "insured" may have purchased. Read the entire policy carefully to determine rights, duties and what is and is not covered. Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance. Words and phrases that appear in quotations have special meaning. Refer to DEFINITIONS (Section II).

"Claim(s)" must first be made against the "insured" during the "policy period" and "claim(s)" must be reported, in writing, to us during the "policy period", the sixty (60) day automatic extended reporting period or the three (3) year extended reporting period, if applicable.

The payment of "claim expense(s)", including defense costs, reduces the limits of insurance. If the policy limits are exhausted, we shall not be liable for "claim expense(s)" or for the amount of any judgment or settlement.

In consideration of the payment of premium and your undertaking to pay the Deductible as described herein, in reliance upon the statements in the Application made a part hereof, and subject to the Limits of Liability of this insurance as set forth in the Declarations, and the exclusions, conditions and other terms of this policy, we agree with you as follows:

Mar-14-03 01:05pm From-EPA ENV. JUSTICE

+404 562 9664

T-344 P.022/032 F-871

All other terms and conditions shall apply and remain unchanged.

Signed by:

Authorized Representative

Date

Mar-14-03 01:05pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.023/032 F-871

Endorsement # 12

Limit of Liability Disclosure Statement**New York**

| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Producer:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Environmental Impairment Liability Insurance Policy

**NEW YORK REGULATION 107
NEW YORK AMENDATORY PROVISION
(LIMITS OF LIABILITY)**

You hereby acknowledge that the Limit of Liability of the policy shall be reduced, and may be completely exhausted, by the costs of legal defense and, in such event, we shall not be liable for the costs of legal defense or for the amount of any judgment or settlement to the extent that such exceeds the Limits of Liability of the policy.

You hereby acknowledge that you are aware that legal defense costs that are incurred shall be applied against the Limit of Liability and any applicable Deductible or retention amount shown in the Declarations to the policy.

NAMED INSURED_____
TITLE_____
DATE

Mar-14-03 01:05pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.024/032 F-971

Endorsement # 13

Defense Provision

New York



| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Producer:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Environmental Impairment Liability Insurance Policy

In consideration of the payment of premium and the Deductible by you and the reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions, and conditions of the policy that:

1. CLAIM PROVISIONS (Section VII.) Paragraph D., shall be deleted in its entirety and following shall apply:

D. SELECTION OF DEFENSE COUNSEL

The "insured" shall have the option to:

1. Consent to our choice of defense attorney, which consent shall not be unreasonably withheld or select the defense attorney which shall have minimum qualifications with respect to their legal competency including experience in defending claims similar to the one pending against the "insured" and the attorneys fees and all other "claim expense(s)" we must pay to that counsel are limited to the rates we actually pay to counsel we retain in the ordinary course of business in the defense of similar "claim(s)" in the community where the "claim" arose or is being defended; with respect to any such counsel an "insured" agrees to utilize its best efforts to have counsel timely respond to our request for information regarding the "claim"; and
2. participate in, and assist in the direction of the defense of any "claim".

All other terms and conditions of the policy shall apply and remain unchanged.

Signed by:

Authorized Representative

Date

Mar-14-03 01:06pm From-EPA ENV. JUSTICE

+404 562 9664

T-344 P.025/032 F-971

Endorsement # 14

Extended Reporting Period New York



| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:**Producer:**

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Environmental Impairment Liability Insurance Policy

In consideration of the payment of premium and the Deductible by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions, and conditions of the policy that:

EXTENDED REPORTING PERIOD (Section V.) A shall be deleted in its entirety and replaced with the following Section V.
AUTOMATIC AND OPTIONAL EXTENDED REPORTING PERIOD:

- A. If this policy is terminated as defined herein, the period during which you shall report to us "claim(s)" first made against the "insured" shall be extended to include the sixty (60) days immediately following the effective date of such termination subject to the remaining terms and conditions of the policy, and reported to us within that sixty (60) days in accordance with Claim Provisions (Section VII.) of this policy.
- B. You shall have the right to purchase an Extended Reporting Period of three (3) years from the termination of coverage, as defined in Paragraph D., immediately following the effective date of such termination to report to us "claim(s)" first made against you subject to the following terms and conditions and reported to us in accordance with Claim Provisions (Section VII.) of this policy.
- C. The "claim" first reported within the automatic extended reporting period and the extended reporting period endorsement, if purchased in accordance with this section, shall be deemed to have been made on the last day of the "policy period" and coverage shall apply under this policy provided that:
 1. the "pollution event" commenced subsequent to a retroactive date, if any, and before the end of the "policy period"; and
 2. with respect to the extended reporting periods, you have not purchased any other insurance to replace coverage provided by this policy; and
 3. the "claim" is otherwise covered under the terms and conditions of this policy.

Mar-14-03 01:06pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.026/032 F-871

- D. For the purpose of this automatic extended reporting period and the optional extended reporting period, if purchased, termination of coverage means:
1. at the time of cancellation or nonrenewal of this policy except for non payment of premium, fraud or material misrepresentation, or material change in the nature or extent of the risk; a decrease in limits; reduction of coverage; increased deductible or self-insured retention; new exclusion by you or by us; or any other change in coverage less favorable to you; or
 2. with respect to a specific "covered location":
 - a. the deletion of such "covered" location" from this policy by us upon your request; or
 - b. the sale, leasing to others, giving away, abandonment, or relinquishing of operational control of such "covered location" by the "insured".
- E. Within thirty (30) days from the effective date of termination of coverage we shall offer in writing to you the purchase of the Optional Extended Reporting Period. You must provide us with written notice of your intent to purchase the Optional Extended Reporting Period:
1. Within sixty (60) days of the effective date of termination of coverage; or
 2. Within thirty (30) days from the time we mail or deliver to you the option to purchase the Optional Extended Reporting Period,
- whichever is longer.
- F. The Optional Extended Reporting Period shall only be effective upon the full payment of an additional premium within the time period specified in paragraph E., above. The premium for the Optional Extended Reporting Period shall be no greater than 100% of the policy premium.
- G. If the automatic extended reporting period or an optional extended reporting period endorsement is in effect, we will provide the Each Claim Limit of Liability subject to that which is remaining in the Total for all Claims Limit of Liability shown in the Declaration to this policy, but only for "claim(s)" first reported to us pursuant to the policy during the automatic extended reporting period or the optional extended reporting period endorsement.
- H. Notwithstanding CONDITIONS (Section VIII.), Paragraph I, OTHER INSURANCE - the insurance afforded for "claim(s)" first reported during the automatic extended reporting period and the extended reporting period endorsement is excess over any other valid and collectible insurance available under policies in force during the automatic extended reporting period and extended reporting period endorsement.
- I. If this policy is canceled, any return premium due to you shall be credited towards the additional premium for the Optional Extended Reporting Period if you elect to exercise this option. If any premium is due for the period of time between the effective date of this policy and the effective date of such termination, any premium received from you shall first be applied to the premium owing for the policy and then to the Optional Extended Reporting Period coverage premium. In any event, the full premium due and owing for the Optional Extended Reporting Period coverage must be received by us from you within the time period specified in paragraph E., above.
- J. The Total of all Claims Limit of Liability shall be reinstated by 100% if there has been continuous coverage for this policy with us for three (3) years or more.

Mar-14-03 01:07pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.027/032 F-871

- K. The Total for all Claims Limit of Liability shall be reinstated by the greater of 50% or that which remains of the Total for all Claims Limit of Liability at the end of the "policy period" if there has been continuous coverage for this policy with us for less than three (3) years.

Accepted by : _____ Date _____

All other terms and conditions of this policy remain unchanged.

Signed by: _____
Authorized Representative Date

Mar-14-03 01:07pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.028/032 F-971

Endorsement # 15

Claims Made Disclosure Statement

New York



| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Producer:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Environmental Impairment Liability Insurance Policy

NEW YORK REGULATION 121 DISCLOSURE SUPPLEMENT

"Claims-made relationship" means that period of time between the effective date of your first claims-made policy with us and the cancellation or nonrenewal of the last consecutive claims-made policy between such parties, where there has been no gap in coverage, but does not include any period covered by extended reporting period coverage.

Retroactive Date/Prior Acts Exclusion Date

If the policy has a retroactive date feature or an exclusion or other wording deleting coverage for incidents that happened before a certain date (a prior acts exclusion) then **THERE IS NO COVERAGE FOR INCIDENTS THAT HAPPENED PRIOR TO THAT DATE.**

Claims-Made

In a claims-made policy, coverage is provided for liability **ONLY IF THE CLAIM FOR DAMAGES IS FIRST MADE AGAINST THE INSURED AND REPORTED TO THE COMPANY IN WRITING DURING THE POLICY PERIOD.** All coverage ceases upon termination of the policy, except for the extended reporting period coverage.

Optional Extended Reporting Period/Automatic Extended Reporting Period

The optional extended reporting period coverage provides for a period of time after termination of coverage for incidents that have happened before the termination of coverage and otherwise covered by the policy but only if the "claim" is first made against the "insured" and reported in writing to us during the extended reporting period. The optional extended reporting period coverage can be purchased if you or we terminated coverage. If the optional extended reporting period is not purchased, an automatic extended reporting period coverage goes into effect upon termination of coverage; however, this automatic extended reporting period lasts for only sixty (60) days, (ninety (90) days if the policyholder is a public entity as defined in section 107(a)(51) of the New York Insurance Law). After the end of the extended reporting period, you will have a gap in your insurance coverage, unless you have

Mar-14-03 01:07pm From-EPA ENV. JUSTICE

+404 562 9564

T-344 P.029/032 F-971

obtained appropriate coverage to fill the gap. UPON TERMINATION OF COVERAGE IT IS VERY IMPORTANT THAT YOU CONSULT WITH YOUR INSURANCE AGENT OR BROKER OR OTHER PROFESSIONAL INSURANCE ADVISER.

The length of the optional extended reporting period offered in the policy is THREE (3) YEARS but not less than one (1) year. It will not be available if we terminate coverage because of non-payment of premium or fraud and at the effective date of such termination of coverage a claims-made relationship has continued for less than one (1) year.

Future Premium Increases As Claims-Made Relationship Matures

During the first several years of being covered on a claims-made basis, claims-made rates are generally comparatively lower than rates on other types of policies generally known as occurrence policies, especially if there is no prior acts coverage initially, and you can expect substantial annual premium increases, independent of overall rate level increases, until the claims-made relationship reaches maturity.

THIS DISCLOSURE SUPPLEMENT GENERALLY DISCUSSES CERTAIN IMPORTANT FEATURES OF THE POLICY. YOU SHOULD READ THE ENTIRE POLICY CAREFULLY AND DISCUSS IT WITH AN INSURANCE AGENT OR BROKER OR OTHER PROFESSIONAL INSURANCE ADVISER. THE PROVISIONS OF THE POLICY FORM AND ENDORSEMENTS THERETO ARE CONTROLLING.

Signed by: _____
Authorized Representative

Date

Mar-14-03 01:08pm From:EPA ENV. JUSTICE

+404 562 9664

T-344 P.030/032 F-871

Endorsement # 16

Fungus Exclusion

| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Producer:

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Environmental Impairment Liability Insurance Policy - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions and conditions of the policy, that EXCLUSIONS (Section IV.), is amended by the addition of the following exclusion:

S. whether caused directly or indirectly, by:

1. any "fungus(i)" or "spore(s)", or
2. any substance, vapor or gas produced by or arising out of any "fungus(i)" or "spore(s)".

For the purposes of this exclusion, the following definitions are added:

1. "Fungus(i)" includes, but is not limited to:
 - a. any form or type of mold, mushroom or mildew,
 - b. any other fungal structure, and
 - c. any volatile organic compounds, mycotoxins, allergenic proteins or other substances or gases produced by or arising out of any mold, mushroom, mildew, fungal structure or "spore(s)".
2. "Spore(s)" means any reproductive body produced by or arising out of any "fungus(i)".

All other terms and conditions of the policy shall apply and remain unchanged.

Signed by: _____

Authorized Representative

Date

Mar-14-03 01:08pm From-EPA ENV. JUSTICE

+404 562 8664

T-344 P.031/032 F-871

I. **OTHER INSURANCE** - When other insurance is available to the "insured" for "loss" covered under the terms and conditions of this policy and this endorsement, our obligation to the "insured" shall be as follows:

1. The coverage provided by this policy and this endorsement shall apply as excess insurance over any other valid and collectible insurance, be it primary or excess. This excess insurance shall operate as primary insurance as a result of the receivership, insolvency, or inability to pay of any insurer with respect to both the duty to indemnify and the duty to defend. However, this does not apply to the "insured" while acting as a self-insured for any coverage.
2. Where this policy and this endorsement is excess insurance, we will pay only our share of the amount of "loss" including "claim expense", if any, that exceeds the total amount of all such valid and collectible insurance.

The "insured" shall promptly upon our request provide us with copies of all policies potentially applicable against the liability covered by this endorsement.

All other terms and conditions of the policy shall apply and remain unchanged.

Signed by: _____
Authorized Representative

Date

Mar-14-03 01:08pm From:EPA ENV. JUSTICE

+404 562 8664

T-344 P.032/032 F-871

Endorsement # 17

Transportation Of Materials By Insured

(Automobile, Aircraft, Vessel, Rolling Stock)



| Policy No. | Eff. Date of Pol. | Exp. Date of Pol. | Eff. Date of End. | Producer | Add'l Prem. | Return Prem. |
|----------------|-------------------|-------------------|-------------------|----------|-------------|--------------|
| PLC 5227504 01 | 04/01/2002 | 04/01/2003 | 04/01/2002 | 18741000 | N/A | N/A |

Named Insured and Mailing Address:

Trans Resource Inc.
375 Park Avenue
New York NY 10152

Producer:

Willis Corp
7 Hanover Square
New York NY 10004-2594

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Environmental Impairment Liability Insurance Policy - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions and conditions of the policy that pursuant to EXCLUSIONS (Section IV.), Exclusions P., coverage shall be provided by this endorsement for "loss" resulting from the "transportation" of "materials" by an "insured". This coverage shall not be utilized to evidence financial responsibility under any federal, state or local law.

1. **DEFINITIONS (Section II.)** is amended to include the following Definitions applicable to coverage provided under this endorsement only:
 - A. "Material(s)" means goods, products or waste including oil, petroleum, pesticide products, and materials to be recycled, reconditioned or reclaimed "transported" by an "insured" that is properly licensed to "transport" such goods, products or waste.
 - B. "Transportation" or "transported" or "transport" means the movement of "materials" commencing when the "materials" are moved from the location where they are accepted by the "insured" for movement by an "automobile", aircraft, "vessel" or rolling stock and ending with the completion of the unloading of the "materials" for final delivery from the "automobile", aircraft, "vessel" or rolling stock by the "insured".
 - C. "Vessel" means any watercraft used or capable of being used as a means of "transportation" on water, whether self-propelled or otherwise, and includes barges and tugs.
 - D. "Wrongful delivery" means the delivery of any "materials" into the wrong receptacle or to the wrong address, or the delivery of one type of "material" in error for another.
2. **EXCLUSIONS (Section IV.)** is amended to include the following exclusions applicable to coverage provided under this endorsement only:
 - A. damage to "materials" or an "automobile", aircraft, "vessel" or rolling stock;
 - B. "wrongful delivery"; and
 - C. the movement or "transportation" of "material" by someone or some entity other than an "insured".

3. **CONDITIONS (Section VIII.), Condition I, Other Insurance** shall be deleted in its entirety and the following Condition I, shall apply only to coverage provided by this endorsement:

Copyright © 1999 by Zurich Insurance Company

U-EIL-411-A CW (8/99)

Page 1 of 2

All rights reserved. No part of this document covered by the copyright herein may be reproduced or copied in any form by any means - graphic, electronic, or mechanical, including photocopying, taping or information storage and retrieval systems - without written permission of the Zurich American Insurance Company.